

MN PROMISE ACT Grant & Loan Programs



ABOUT THE PROGRAM

The **Providing Resources & Opportunity & Maximizing Investments in Striving Entrepreneurs (PROMISE)** Programs are new, state-funded programs providing grants and loans to disadvantaged small businesses in certain areas* of Minneapolis and St. Paul.

Neighborhood Development Center (NDC) will administer the PROMISE Grant program, and Metropolitan Economic Development Association (MEDA) will administer the PROMISE Loan program, alongside community partner organizations.

WHO IS ELIGIBLE FOR A GRANT OR LOAN?

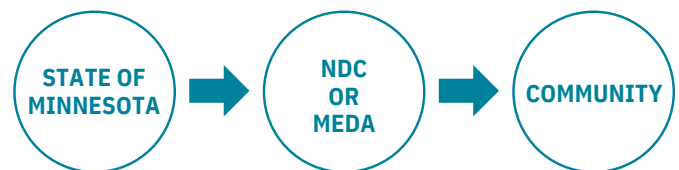
A business must be located in one of these areas*

- West Broadway, Camden, or other North Minneapolis neighborhoods
- Lake Street, 38th & Chicago, Franklin, Nicollet, & Riverside corridors of South Minneapolis
- University Avenue, Midway, Eastside, or other St. Paul neighborhoods

**Per the language in the MN PROMISE Act law.
See map at www.mnpromiseact.org.*

HOW WILL THE PROGRAMS WORK?

The State of Minnesota has allocated \$72 million for PROMISE Act Grants and \$22 million for PROMISE Act Loans moving through NDC or MEDA, to businesses in the community.



ELIGIBLE BUSINESSES WILL

- Have primary business operations located in the state of Minnesota
- Be located in a community that has been adversely affected by structural racial discrimination, civil unrest, lack of access to capital, a loss of population or an aging population, or a lack of regional economic diversification
- Be registered with the Minnesota Secretary of State

For more information visit www.mnpromiseact.org

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Check your SOS Registration



PROMISE Act Law



Check Eligibility



PROMISE GRANT PROGRAM

QUICK FACTS

ADDITIONAL GRANT ELIGIBILITY REQUIREMENTS:

- Eligible businesses or nonprofit organizations* must have a gross annual revenue of **\$750,000 or less** based on 2021 or 2022 taxes.
- Priority will be given to businesses that received a total of \$10,000 or less through **state-funded** COVID-19 small business grant programs.

HOW CAN THE GRANT FUNDS BE USED?

PROMISE Act Grants can be used for:

- Working capital
- Payroll expenses
- Rent or mortgage payments
- Utility bills
- Equipment
- Other similar expenses that occur in the regular course of business.

HOW MUCH GRANT FUNDING CAN A BUSINESS RECEIVE?

Grant amounts are based on the businesses' gross revenue during the prior year (2021 or 2022), as follows:

Businesses with a gross revenue in the prior year of **less than \$100,000** can receive:

UP TO \$10,000

Businesses with a gross revenue in the prior year of **more than \$100,000 but less than \$350,000** can receive:

UP TO \$25,000

Businesses with a gross revenue in the prior year of **more than \$350,000 but less than \$750,000** can receive:

UP TO \$50,000

Businesses with a gross revenue in the prior year of **over \$750,000** are not eligible to receive a grant.

NOT ELIGIBLE

** must have a revenue-generating model similar to a business.*

PROMISE LOAN PROGRAM

QUICK FACTS

ADDITIONAL LOAN ELIGIBILITY REQUIREMENTS:

- Businesses, nonprofit organizations, or developers that are seeking funding to complete an eligible project will be considered to receive a PROMISE Act loan.
- These entities must have a gross annual revenue of less than \$1 million based on 2021 taxes.
- Priority will be given to projects that involve developers who are Black, Indigenous, or people of color, veterans, or women.
- Priority will also be given to businesses that have not received more than \$10,000 cumulatively from a grant under a Main Street COVID-19 relief grant program or a loan from the Main Street Economic Revitalization Loan Program.

HOW CAN THE LOAN FUNDS BE USED?

PROMISE Act Loans can be used for:

- Site acquisition
- Site preparation
- Building construction
- Infrastructure
- Landscaping
- Other eligible capital improvement costs

WHAT ARE THE TERMS OF PROMISE LOANS, AND HOW MUCH LOAN FUNDING CAN A BUSINESS RECEIVE?

Loans will be in amounts of no more than **\$1 million**, for a term of no more than **10 years**, and will charge an interest rate of no more than **3%**. MEDA will establish a revolving loan fund for PROMISE Loans, so that all funds paid back can be lent out again for other eligible projects.